GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:990
ANSWERED ON:23.11.2001
SETTING UP OF INDUSTRIES IN BIHAR
MADAN PRASAD JAISWAL

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government are aware that industrialists are scared of setting up industries in Bihar despite availability of raw materials in abundance;

(b) if so, whether the Government have conducted any study to identify the reasons therefor;

(c) if so, the findings of the study;

(d) whether the Government have discussed these problems with the Government of Bihar and asked the State Government to create suitable atmosphere for attracting the industrialists;

(e) if so, the response of the Government of Bihar thereto; and

(f) the remedial steps proposed to be taken by the Government for proper industrial growth in Bihar?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY (DR. RAMAN SINGH)

(a) to (f): Industrial Development in the States, including creating appropriate investment environment, is primarily the responsibility of the State Government concerned. Government of Bihar entrusted Xavier Labour Relations Institute (XLRI), Jamshedpur to conduct a study to identify the reasons for slower investment in Bihar. Important suggestions that have been made are -

(i) Training programmes of stakeholders for good governance.

(ii) Attract non-resident Biharis (NRBs) to invest in Bihar.

(iii) Create at least two centers of excellence in each district (e.g. New Patna, New Begusarai, New Ranchi, and New Dhanbad) at an accelerated pace.

(iv) Benchmark and borrow good policies.

(v) Help create some excellent companies/organizations which can become the `showcase` for the world, including Indian entrepreneurs.

It is for the Government of Bihar to take necessary action for implementation of the recommendations made in the Study, if found feasible.